

Costs incurred in preparing for the Government share offers

Summary of Spending	Total to 30 September 2012 (\$m)*	Total to 31 December 2012 (\$m)*
Spending by the Treasury	14.086	16.018
Spending directly by the companies	7.030	8.363
Total	21.116	24.381

Source: the Treasury

Spending by the Treasury	Total to 30 September 2012 (\$m)*	Total to 31 December 2012 (\$m)*
Spending on advertising and communications	2.627	3.076
Spending on other outsourced services	7.890	8.727
Total outsourced services spending	10.517	11.803
Treasury internal costs	3.569	4.215
Total	14.086	16.018

Source: the Treasury

Spending by the Treasury is against the Mixed Ownership Model appropriations in Vote Finance. Spending to date includes:

- costs of policy advice on the Mixed Ownership Model incurred in the pre-election scoping phase
- costs of policy advice on the companies, which would have been required regardless of the Government share offers
- supporting Ministers during the Select Committee process for the passing of the Mixed Ownership legislation
- consulting iwi regarding the Mixed Ownership Model in February 2012 and consultation on Shares Plus following the Waitangi Tribunal report in September 2012
- costs incurred by the Treasury regarding litigation relating to the Government share offers, including Waitangi Tribunal and High Court hearings

Spending directly by the companies	Total to 30 September 2012 (\$m)*	Total to 31 December 2012 (\$m)*
Genesis Energy	0.740	0.765
Meridian Energy	0.635	0.693
Mighty River Power	5.483	6.733
Solid Energy	0.172	0.172
Total	7.030	8.363

Source: Genesis Energy, Meridian Energy, Mighty River Power, Solid Energy

Spending directly by the companies:

- includes any external advice specifically commissioned by the companies for this purpose
- includes any staff hired specifically to work on preparing the company for the Government share offers, or existing staff working on preparing the company for the Government share offers, where their existing roles have been backfilled
- includes any additional costs for existing staff specifically related to preparing for the Government share offers
- excludes salary costs for existing staff who as part of their normal duties may have spent time working on matters related to the share offers, on the grounds that this is not an additional cost of the Government share offers

* all figures in this report are cumulative totals for the whole project to the point in time outlined